FILE: B-206129

DATE: June 28, 1982

MATTER OF: Reports of Existence for Military Retirees and Survivor Annuitants Residing Overseas

DIGEST:

J.

The furnishing of reports of existence by military retirees and survivor annuitants whose checks are mailed to a foreign address and delivered through foreign postal channels may be changed to a semiannual basis from the current "one month behind" basis. This change is approved in view of the potential for administrative cost savings while still providing a reasonable protection to the Government against erroneous payments.

The Assistant Secretary of Defense (Comptroller), requests an advance decision whether the report of existence requirement for military retirees and survivor annuitants whose checks are mailed to a foreign address and delivered through foreign postal channels may be changed from a monthly to a semiannual basis. A discussion of the matter is provided in Department of Defense Military Pay and Allowance Committee Action Number 554 included with the request for decision. We have no objection to the reports being furnished on a semiannual basis.

The primary purpose of requiring retired members and annuitants to complete reports of existence is to protect against continuing payments when the persons entitled to receive them have died.

We previously approved a change to the report of existence requirement for checks mailed to certain military retirees or annuitants to allow the report to be made after the issuance of the check (i.e., on a "one month behind" basis) rather than before issuance of the check. We approved the change because the Department of Defense set out the advantages such a system would have, including less delay in mailing checks, reduced administrative costs, and simplified administrative procedures. Additionally, we considered that the maximum potential overpayment would be limited to 1 month. 44 Comp. Gen. 208 (1964).

B-206129

In the current submission, the Military Pay and Allowance Committee points out that several military retirees living overseas have undergone undue hardship because of delays in receiving their retired pay even under the "month behind" system. The Committee indicates that "[t]here has been no problem in checks being returned for the month of death under the 'month behind' reporting procedure." Furthermore, they indicate that the importance of immediately reporting the death of a military retiree or annuitant has been widely publicized. Also, the Committee indicates that the proposed change would reduce the administrative costs involved in making the payments while providing protection to the Government.

Since the proposed change should reduce administrative costs while still providing reasonable protection to the Government, we have no objection to the change in procedures suggested.

for Comptroller General of the United States